IN THE CLAIMS:

1. (Currently Amended) A pressure regulating device for use with a breathing assistance apparatus which conveys inhalatory gas to, and removes exhalatory gas from a patient requiring breathing assistance, comprising:

a container which in use includes a body of liquid, having configured to have a substantially constant level in use, and an overflow outlet adjacent said constant level,

a terminal conduit including proximate and distal ends, said proximate end adapted for connection to a breathing assistance apparatus and in use accepting exhalatory gas therefrom, and said distal end submerged in said body of liquid,

such that in use the mean pressure of said gas supplied to a patient is adjusted by the level to which said distal end is submerged in said body of water.

- 2. (Previously Presented) A pressure regulating device as claimed in claim 1, further comprising a connector attached to said container and engaging said terminal conduit, whereby in use said terminal conduit may be adjusted in axial position in predetermined increments, with respect to said connector.
- 3. (Previously Presented) A pressure regulating device as claimed in claim 2 wherein said terminal conduit includes at least one partial groove and said connector includes at least one matching partial resilient ridge or toggle.
- 4. (Previously Presented) A pressure regulating device as claimed in either of claims 2 or 3 wherein said predetermined increments are one centimetre each.

- 5. (Canceled)
- 6. (Currently Amended) A pressure regulating device as claimed in claim 5 1 wherein said overflow outlet also includes damping means associated with said outlet.
- 7. (Currently Amended) A pressure regulating device as claimed in claim 6 wherein said damping means comprises an underwater outlet from said container which is located at a position which in use is substantially below the level of said body of liquid, and a wave shield located at a position which in use is between the level of said body of liquid and said underwater outlet.
- 8. (Currently Amended) A pressure regulating device as claimed in claim 5 1 further comprising a removable container, whereby in use the overflow from said body of liquid flows through said overflow outlet into said removable container.
- 9. (Original) A pressure regulating device as claimed in claim 8 wherein said body of liquid is substantially composed of water.
- 10. (Original) A pressure regulating device as claimed in claim 9 wherein said device is constructed substantially from clear plastic materials.

Claims 11-13 (Canceled)